



**State of Connecticut**  
**HOUSE OF REPRESENTATIVES**  
STATE CAPITOL  
HARTFORD, CONNECTICUT 06106-1591

**REPRESENTATIVE PATRICIA BILLIE MILLER**

DEPUTY SPEAKER OF THE HOUSE  
145<sup>TH</sup> ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING  
ROOM 4033  
HARTFORD, CT 06106-1591

HOME: (203) 325-3315  
CAPITOL: (860) 240-8585  
TOLL FREE: (800) 842-8267  
FAX: (860) 240-0206

**MEMBER**

APPROPRIATIONS COMMITTEE  
EDUCATION COMMITTEE  
GOVERNMENT ADMINISTRATION  
& ELECTIONS COMMITTEE

**Testimony of State Representative Pat Billie Miller**  
**To the General Law Committee, in support of: House Bill 6691, *AAC Cash***  
**Refunds For Gift Card Balances**

***March 5, 2015***

Good afternoon Senator Leone, Representative Baram, Senator Witkos, Representative Carter and members of the General Law Committee. Thank you for the opportunity to testify in support of House Bill No. 6691, An Act Concerning Cash Refunds for Gift Card Balances.

According to CEB Tower Group, a research and analytic company, the projected sale of gift cards in 2014 was estimated at \$124 billion dollars. This projected amount elevated to a 5% increase from 2013. Of the \$124 billion dollars spent on gift cards \$750 million will go unredeemed.

The National Retail Federation (NRF), which is the world's largest retail trade association, projected a \$31.7 billion sale in gift cards in the 2014 holiday season alone. They estimated that shoppers would spend an average of \$172 dollars on gift cards and adults 65 and over an average of \$205 dollars.

Gift cards are an increasingly popular gift choice. About 80% of consumers - one out of eight shoppers - planned to give a gift card last holiday season. 60% percent said they would like to receive gift cards, making gift cards the most requested gift item.

There has been an increase in the amount of consumers choosing gift cards because of their perceived flexibility. They may seem like the perfect gift for a friend or family member, allowing recipients to choose what they want. Many see gift cards as synonymous with giving cash, but a little less impersonal.

But gift cards are not the same as cash. Many Connecticut consumers are not aware that retailers do not legally have to redeem gift cards for cash. Even if there is only a nominal value left on a card, issuers are not required by law to give cash to a customer. For example, a Connecticut consumer could spend \$95 of a \$100 gift card and a retailer would be within their rights under current law in refusing to return the remaining \$5 of value in cash to the customer.

House Bill 6691 is a common sense fix that would simply require an issuer of gift cards, upon request, to provide a purchaser with cash refund if the remaining balance of the gift card is less than ten dollars after a purchase is made.

If House Bill 6691 is enacted, Connecticut would join ten other states that have enacted similar consumer friendly protections. In California, shoppers may redeem gift cards for their remaining cash value under ten dollars. In New Jersey, gift cards are redeemed for cash value less than five dollars and there is a penalty of five hundred dollars, plus restitution, for violators of the law.

Connecticut legislature enacted strong gift card laws in 2003 and 2005. HB 6691 would further strengthen the law by allowing consumers to put gift card balances in their pockets as oppose to lying dormant in a drawer.

Thank you again for allowing me to submit testimony on HB 6691 and I respectfully urge you to consider this bill.